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## Presentation to Utah State Governor Herbert

October 8, 2009

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## Cautionary Statements

Statements contained herein which are not historical facts are forward-looking statements that involve risks, uncertainties and other factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements. Factors that could cause such differences, without limiting the generality of the following, include: risks inherent in exploration activities; volatility and sensitivity to market prices for uranium and vanadium; the impact of the sales volume of uranium and vanadium; competition; reliance on income from processing uranium-bearing waste materials; the impact of change in foreign currency exchange rates and interest rates; imprecision in resource and reserve estimates; environmental and safety risks including increased regulatory burdens; changes to reclamation requirements; unexpected geological or hydrological conditions; political risks arising from operating in certain developing countries; a possible deterioration in political support for nuclear energy; changes in government regulations and policies, including trade laws and policies; demand for nuclear power; replacement of production and failure to obtain necessary permits and approvals from government authorities; weather and other natural phenomena; ability to maintain and further improve positive labour relations; operating performance of the facilities; success of planned development projects; and other development and operating risks. Although Denison believes that the assumptions inherent in the forward-looking statements are reasonable, undue reliance should not be placed on these statements, which only apply as of the date of this release. Denison disclaims any intention or obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

Additional information about the material factors or assumptions on which forward looking information is based or the material risk factors that may affect results is contained under "Risk Factors" in Denison's Annual Information Form and Form 40-F, both dated March 26, 2009, and the Short Form Prospectus, dated June 15, 2009, all of which are available at [www.denisonmines.com](http://www.denisonmines.com).

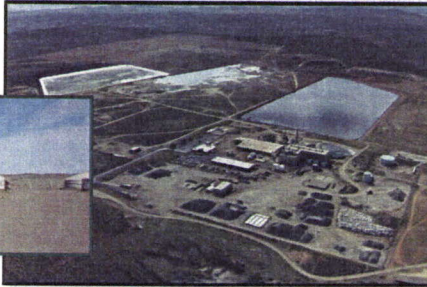
This presentation may use the terms "Measured", "Indicated", "Inferred" and "Historical" Resources. U.S. investors are advised that while such terms are recognized and required by Canadian regulations, the Securities and Exchange Commission does not recognize them. "Inferred Resources" and "Historical Resources" have a great amount of uncertainty as to their existence, and great uncertainty as to their economic feasibility. It cannot be assumed that all or any part of an inferred resource or a historical resource will ever be upgraded to a higher category. Under Canadian rules, estimates of Inferred Resources may not form the basis of feasibility or other economic studies. Further, Historical Resources are not recognized under Canada's NI 43-101 regulations. U.S. investors are cautioned not to assume that all or any part of Measured or Indicated Resources will ever be converted into reserves.

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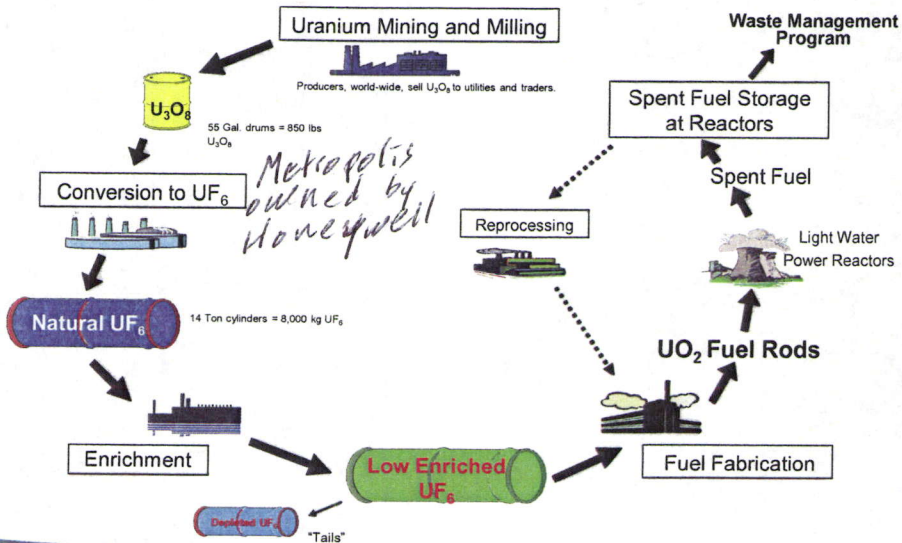


## Overview of Uranium Market

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## The Nuclear Fuel Cycle

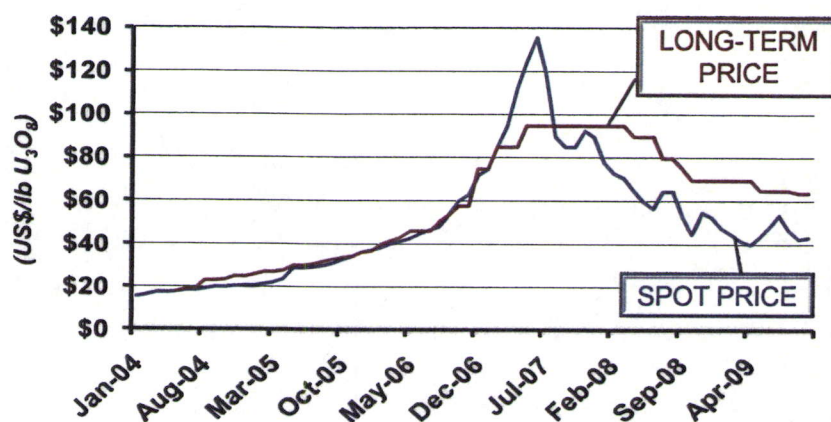


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## Uranium Prices (as of Oct 5, 2009)



Source: Ux Consulting

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## Soft Uranium Spot Market

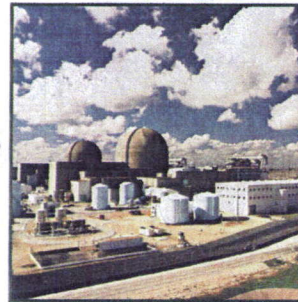
- Current Spot Demand is Weak
- Issue is Potential Sale of U.S. Department of Energy Material
  - In July DOE unveiled a plan to pay for services using uranium inventory instead of cash to stimulate decommissioning of the USEC Enrichment Corporation facility in Ohio.
- Joint House/Senate Appropriations Committee Report Alleviated Near Term Sales Through Increased Funding
- Strong Industry & Political Influence Against DOE Uranium Sales

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## Uranium Market

- Expansion of uranium market continues
- 436 operating nuclear reactors in 30 countries
  - 2.6 trillion kWh – 15% of world's electricity
- 44 reactors under construction
- 110 reactors in planning stage
- 272 new reactors proposed
- 14 new countries expected to go nuclear
- Nuclear power reduces carbon footprint & greenhouse gases



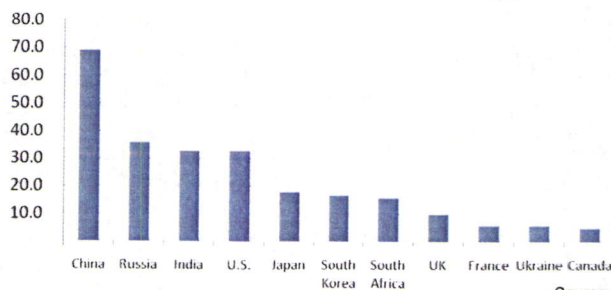
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## Longer Term Demand

- WNA 2009 Report predicts fewer reactor closures and more new reactors than two years ago
  - Net increase in new units to 2030 from 85 (2007) to 145 (2009)

Estimate of New Builds - Reference Scenario



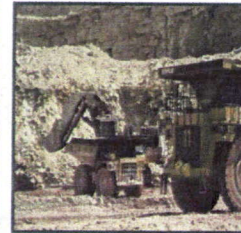
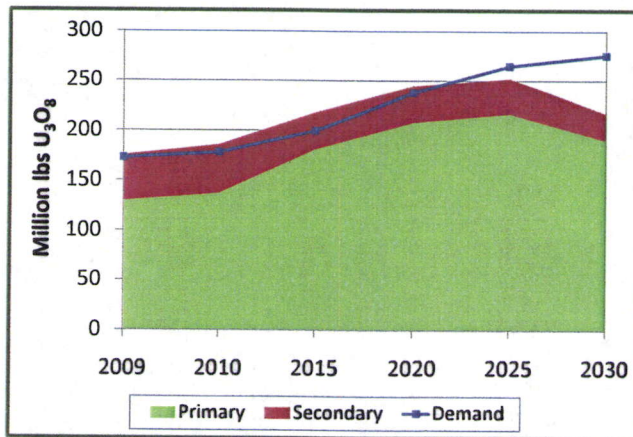
Source: WNA

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## Where Is The Uranium Going to Come From?

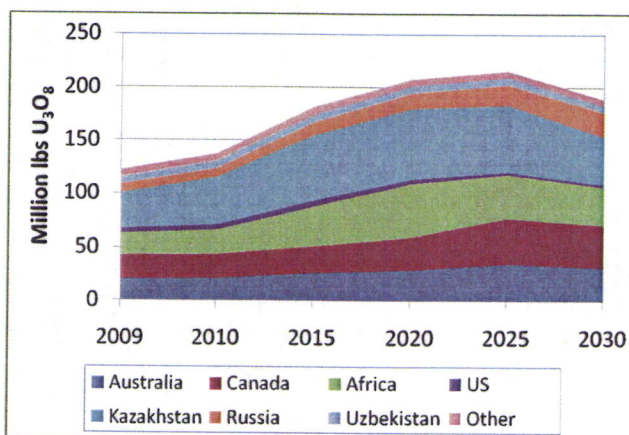


Source: WNA - The Global Nuclear Fuel Market - Supply and Demand 2009 - 2030

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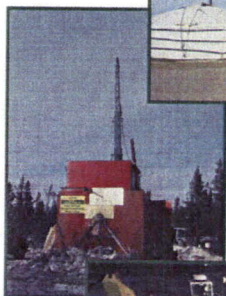


## Where Is The Uranium Going to Come From?



Source: WNA - The Global Nuclear Fuel Market - Supply and Demand 2009 - 2030

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## **Denison Mines Corp.**

### ***U.S. Operations***

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## **Quick Facts**

- 50-year history of uranium production
- NYSE Amex: DNN, TSX: DML
- Exploration, development, mining, milling
- Assets in Canada, U.S., Zambia, Mongolia
- 2 operating mines in North America
- 2 conventional uranium mills in North America
- 2009 estimated  $U_3O_8$  production: 1.3 to 1.5M lbs
- 2009 estimated  $V_2O_5$  production: 500,000 lbs

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New Strategic  
Investor



- Korean Electric Power Corporation (KEPCO)
  - South Korea's Largest Company
- Owns 17.8% of Denison's Equity
- Off-take Agreement for 20% of Denison's Production for 2010 – 2016 @ Industry Standard Terms
- Opportunities For Both Parties to Participate in Other Uranium Production Ventures

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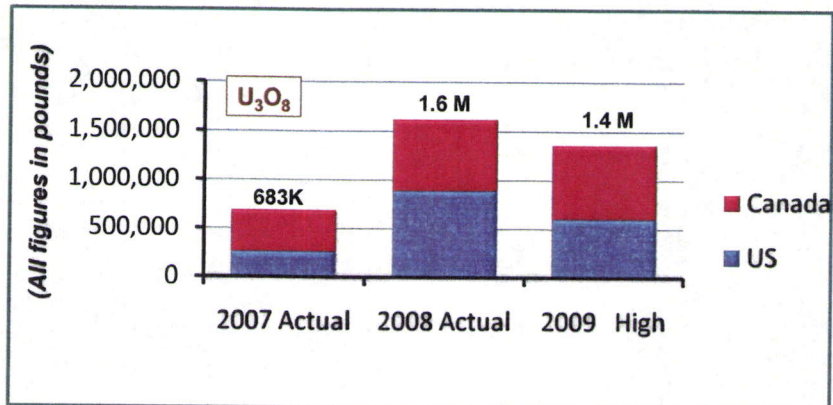
## Substantial Resource Base

|                      | M Lbs<br>U <sub>3</sub> O <sub>8</sub> | Average Grade<br>% U <sub>3</sub> O <sub>8</sub> |
|----------------------|--|--|
| <b>CANADA</b>        |  |  |
| Reserves             | 1.5                                    | 0.79%  |
| Indicated Resources  | 16.1                                   | 2.56%  |
| Inferred Resources   | 2.9                                    | 0.98%  |
| Historical Resources | 205.0                                  | 0.06%  |
| <b>UNITED STATES</b> |  |  |
| Indicated Resources  | 12.8                                   | 0.27%  |
| Inferred Resources   | 13.5                                   | 0.33%  |
| Historical Resources | 9.4                                    | 0.21%  |
| <b>MONGOLIA</b>      |  |  |
| Indicated Resources  | 5.5                                    | 0.08%  |
| Inferred Resources   | 2.4                                    | 0.09%  |
| Historical Resources | 4.5                                    | 0.03%  |
| <b>ZAMBIA</b>        |  |  |
| Measured Resources   | 2.0                                    | 0.05%  |
| Indicated Resources  | 5.8                                    | 0.03%  |
| Inferred Resources   | 13.2                                   | 0.02%  |

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## Production Forecast



**2008 Vanadium Production: 1.2 million pounds**

**2009 Vanadium Production: 500,000 pounds**

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## U.S. Production



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## U.S. Production

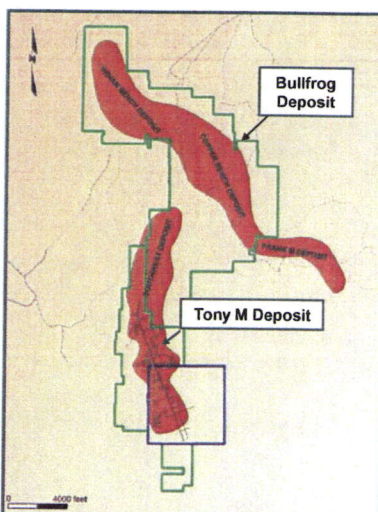
- Two Colorado Plateau mines in operation
  - Pandora & Beaver
- Average production:
  - 350 tpd @ 0.21%  $U_3O_8$  & 1.13%  $V_2O_5$
- Mill ore stockpile (June 30, 2009):
  - 95,800 tons containing approx 359,000 lbs  $U_3O_8$
  - 848,000 lbs  $U_3O_8$  in alternate feed stockpile



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## Henry Mountains Complex



- 20.9 million lbs  $U_3O_8$
- One of the largest developed conventional uranium resources in the U.S.
- Tony M
  - Indicated & inferred resources: 10.9M lbs  $U_3O_8$
  - Grade: 0.21%  $U_3O_8$
- Bullfrog
  - Indicated & inferred resources: 10.0M lbs  $U_3O_8$
  - Grade: 0.34%  $U_3O_8$

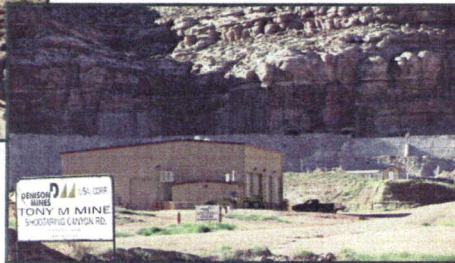
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## Tony M Facilities & Ticaboo



- Purchased 48 Lots & Established 43 Homes in the Town of Ticaboo
- Investment in Power Infrastructure



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## White Mesa Mill

- Conventional ore processing complete for 2009
- 2009  $U_3O_8$  Production: 500,000 – 600,000 lbs
- 2009  $V_2O_5$  Production: 500,000 lbs
- Conventional ore processing to restart in early 2010



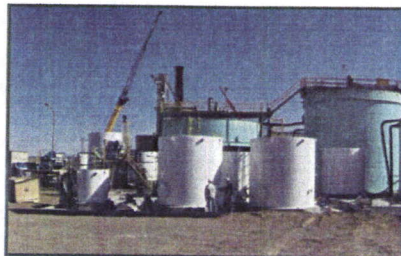
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## Alternate Feed Circuit

- Total cost: \$5.3 million
- Processing began in mid-June
- 2009 output: 160,000 lbs



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## U.S. Mine Development

- Arizona 1
  - Shaft rehabilitation & ventilation raises complete
  - Air quality permit received Sept 1/09
  - Mine production expected to commence upon board approval
  - 956,000 lb resource (approx)
- Permitting processes underway for:
  - Pinenut (0.44%  $U_3O_8$ ), Canyon (1.08%  $U_3O_8$ ), EZ1 (0.66%  $U_3O_8$ ) and EZ2 (0.44%  $U_3O_8$ )
  - Phase II Permitting for Tony M/Bullfrog
  - Various Exploration and Ventilation Raise Permitting



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## **Denison Mines Corp. & The State of Utah**

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## **Impact on the State**

- **Increased Exploration & Mining Permits**
- **Denison At Its Peak Created >400 High Paying New Jobs in San Juan and Garfield County**
  - Currently ~ 200 Jobs
- **White Mesa Mill Will be the Epicenter of Conventional Uranium Production**
- **Potential for San Juan County to Become Center of Conventional Mining Activity**
- **Significant Contribution to San Juan & Garfield County Tax Base & SITLA**

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## Mine Regulatory Environment

- **Utah Department of Natural Resources**
  - Division of Oil, Gas & Mining
- **Utah Department of Environment Quality**
  - Air Quality
  - Water Quality
- **Bureau of Land Management**
- **MSHA**

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## Mill Regulatory Environment

- **Utah Department of Environment Quality**
  - Radiation Control
  - Air Quality
  - Water Quality
- **EPA**
- **MSHA**

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## Regulatory Environment

- Fraser Global Mining Survey Ranks Utah as One of the Top Ten States to Work In *worldwide*
- Overall A Good Regulatory Environment
- Division of Radiation Control is Understaffed
  - Relies on Outside Consultants
  - Delays in Responding to Licensee Needs

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**Denison Mines  
Corp.**

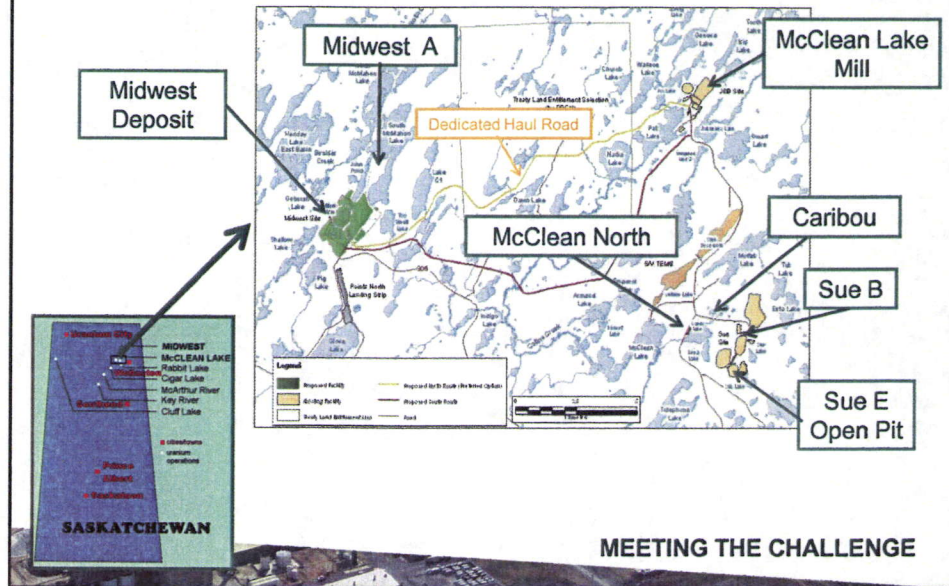
***International  
Operations***

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## Canadian Production Properties



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## Gurvan Saihan JV (Mongolia)

- 70% interest in Gurvan Saihan Joint Venture
- 685,632 hectares located in the South Gobi region of Mongolia.
- Exploration licences extended in July for 3 years
- Limited exploration drilling & development program has begun



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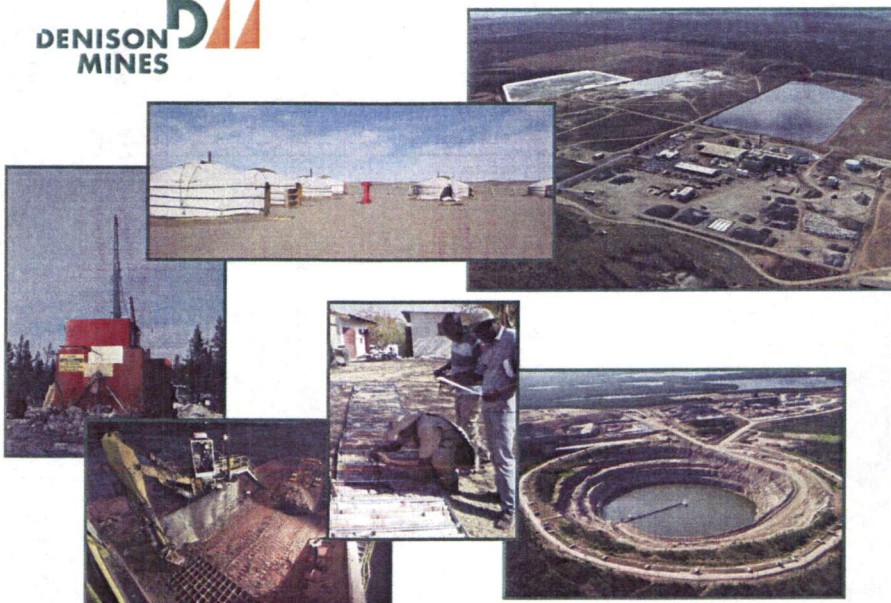


## Mutanga Project (Zambia)

- Prospecting licence for 946.3 square kilometers
- Planned production process changed to acid heap leach
  - Acid heap leach provides similar recoveries
  - Lower capital and operating costs
  - More flexible given distances between Mutanga and Dibwe deposits
- Environmental Impact Study (EIS) submitted in Q2
- Mining & radioactive licence applications submitted



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